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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
GLOBAL PLUS 1C CONTRACTS (MC2012-6)
NEGOTIATED SERVICE AGREEMENTS

Docket No. CP2013-39

ERRATA TO NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING A FUNCTIONALLY EQUIVALENT GLOBAL PLUS 1C NEGOTIATED SERVICE AGREEMENT AND APPLICATION FOR NON-PUBLIC TREATMENT OF MATERIALS FILED UNDER SEAL

(January 11, 2013)

On January 10, 2013, the United States Postal Service (Postal Service) filed a notice in this docket that the Postal Service is entering into a Global Plus 1C contract.¹ The Postal Service hereby gives notice of filing the following documents, which are attached to this notice:

- Attachment 1 referred to in the Postal Service's notice filed on January 10,
 2013, which is a redacted version of the contract that is the subject of this docket that was filed under seal in this docket on January 10, 2013; and
- A revised version of the first page of Attachment 4 to the Postal Service's notice filed on January 10, 2013, which includes a few corrections in footnote 2 that are shown in gray highlighted text.

¹ Notice of the United States Postal Service of Filing a Functionally Equivalent Global Plus 1C Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, Docket No. CP2013-39, January 10, 2013.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

Anthony F. Alverno Chief Counsel Global Business and Service Development Corporate and Postal Business Law Section

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GLOBAL PLUS 1 SERVICE AGREEMENT BETWEEN THE UNITED STATES POSTAL SERVICE AND

This Agreement ("Agreement") is between and the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the United States Government, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260-9998. The Mailer and the USPS may be referred to individually as a "Party" and together as the "Parties."

INTRODUCTION

WHEREAS, the Parties desire to enter into a non-exclusive relationship whereby the USPS will provide certain products and/or services to the Mailer pursuant to the terms and conditions contained herein:

WHEREAS, the Parties acknowledge and understand that the commencement of performance under this Agreement is subject to the approval of various entities with oversight responsibilities, which may include but not be limited to the USPS management's Executive Committee, the USPS Governors, and/or the Postal Regulatory Commission. Accordingly, the Mailer acknowledges and understands that the ability of the USPS to perform under this Agreement may not occur;

WHEREAS, in light of the aforementioned acknowledgements, the Parties desire to be bound by the terms of this Agreement:

NOW, THEREFORE, in consideration of the mutual promises set forth below, the Parties hereby agree as follows:

ARTICLE 1. PURPOSE OF THE AGREEMENT

This Agreement shall govern the use the Mailer may make of customized mail service for International Priority Airmail service (IPA), International Surface Air Lift service (ISAL), Global Express Guaranteed (GXG), Express Mail International service, Priority Mail International service, and Commercial ePacket service.

ARTICLE 2. DEFINITIONS

As used in this Agreement:

- 1. "IMM" means the *International Mail Manual* as found on the USPS website <u>pe.usps.com</u> on the date of mailing.
- "DMM" means the Domestic Mail Manual as found on the USPS website pe.usps.com on the date of mailing.
- "IPA" means International Priority Airmail service.
- 4. "ISAL" means International Surface Air Lift service.
- 5. "GXG" means Global Express Guaranteed service.
- 6. "EMI" means Express Mail International service.
- 7. "PMI" means Priority Mail International service.

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- 8. "GD" means Global Direct service. Global Direct service is mail that conforms to the size, shape, and mailpiece specifications as determined by a postal administration other than the USPS and is mailed in the United States for intended delivery in a country other than the United States by the postal administration of that country.
- "M-bags" means special sacks for printed matter directed to a single addressee at a single address in another country.
- 10. "CeP" means Commercial ePacket service. Commercial ePacket service is a service available for International Priority Airmail (IPA) items. Each piece must have a label, applied by the Mailer, bearing a unique barcode allowing for delivery confirmation information to be transmitted when the barcode is scanned in the receiving country.
- "IBRS" means International Business Reply service.
- "United States" means the United States of America, its territories and possessions.
- "Qualifying Mail" means any mail that meets the requirements set forth in Article 3 of this Agreement.
- 14. "Non-Qualifying Mail" means any mail that does not meet the requirements set forth in Article 3 of this Agreement.
- "Effective Date" means the first date on which the USPS is willing to accept Qualifying Mail.

ARTICLE 3. QUALIFYING MAIL

Only mail that meets the following requirements:

- IPA. Every item must comply with the preparation requirements set forth in IMM 292 for International Priority Airmail service.
- ISAL. Every item must comply with the preparation requirements set forth in IMM 293 for International Surface Air Lift service.
- GXG. Every item must comply with the preparation requirements set forth in IMM 210 for Global Express Guaranteed service.
- EMI. Every item must comply with the preparation requirements set forth in IMM 220 for Express Mail International. Express Mail International Flat Rate items are not Qualifying Mail under this Agreement.
- PMI. Every item must comply with the preparation requirements set forth in IMM 230 for Priority Mail International. Priority Mail International Flat Rate items are not Qualifying Mail under this Agreement.
- IPA and ISAL M-bags. Every item must comply with the preparation requirements set forth in IMM 260, 292, and 293 for direct sacks of printed matter to a single addressee at a single address.
- CeP. Every item must comply with the preparation requirements and payment requirements that the USPS shall provide the Mailer (CeP Preparation Requirements Document);

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with the exception of:

- Any Flat Rate item;
- Any item destined for any country included in Country Group E-1 under Supplement No. 1 to Title 15, Code of Federal Regulations, Part 740 available at: http://www.gpo.gov/fdsys/pkg/CFR-2012-title15-vol2/pdf/CFR-2012-title15-vol2-part740-appNo-.pdf.
- Any item addressed to persons or entities identified on the Office of Foreign Assets Control's (OFAC's) Specially Designated Nationals List, the Bureau of Industry and Security's (BIS's) Denied Persons List, or BIS's Entities List; and
- Any item tendered on behalf of third parties or entities identified on OFAC's Specially Designated Nationals List, BIS's Denied Persons List, or BIS's Entities List:

shall be considered as Qualifying Mail, except as those requirements conflict with the applicable specific preparation requirements set forth in Article 4.

ARTICLE 4. SPECIFIC PREPARATION REQUIREMENTS

- Mailings of Qualifying Mail must be kept separate from any other type of mail the Mailer tenders.
- International mailings must be separated from domestic mailings.
- For GXG, EMI, PMI, and CeP mailed under this Agreement, the Mailer must use Permit Imprint as the method of payment and IMM 152.4 shall apply.
- Mailings of GXG, EMI, and PMI must be accompanied by a postage manifest and postage statement.
- Mailings of IPA, ISAL, and CeP may be tendered to the USPS without a country name in the delivery address provided the items are contained in properly labeled direct country receptacles.
- Mailer may apply to the USPS in writing in the event the Mailer wishes an exception(s) to the requirements set forth in IMM 210, IMM 220, IMM 230, IMM 260, IMM 292, or IMM 293.
- For IPA, ISAL, and CeP, each mailing presented to the USPS must have a minimum of fifty (50) pounds Qualifying Mail. Mailings of IPA, ISAL, and CeP must be tendered separately. Each product must be accompanied by its own postage statement.
- For GXG, EMI, and PMI, each mailing presented to the USPS must have a minimum of two hundred (200) pieces or fifty (50) pounds of mail matter addressed to recipients in foreign countries. Mailings of GXG, EMI, and PMI must be tendered separately. Each product must be accompanied by its own postage statement.
- The Mailer is required to place a facing slip on bundles placed in IPA and ISAL Mixed Country Sacks.

- 10. Mailings of CeP Qualifying Mail must bear an approved barcoded address label and an approved barcoded PS Form 2976, USPS Customs Declaration CN 22 in accordance with the requirements set forth in the CeP Preparation Requirements Document.
- Mailings of letter-size and flat-size IPA and ISAL Qualifying Mail may be presented in trays upon approval.

ARTICLE 5. NON-QUALIFYING MAIL

The USPS, at its option and without forfeiting any of its rights under this Agreement, may either refuse to accept Non-Qualifying Mail or accept Non-Qualifying Mail at the applicable published rates.

ARTICLE 6. OBLIGATIONS OF THE USPS

The USPS hereby agrees:

- Supplies. To furnish the Mailer or its agent(s) with the postal equipment and postal supplies required for the use of Qualifying Mail.
- Training. To provide the Mailer or its agent(s) with the preparation requirements for Qualifying Mail and any training necessary to prepare mail in conformity with the requirements for Qualifying Mail.
- 3. Reporting. To provide the Mailer with a report regarding postage paid by the Mailer to the USPS, by month, for Qualifying IPA, ISAL, GXG, EMI, PMI, and CeP. The USPS will provide this report on a quarterly basis and shall include the:
 - Customer name and permit number;
 - Date of the mailing statement;
 - c. Service / product; and
 - Postage paid.
- Transportation. To arrange with carriers to transport Qualifying Mail to international destinations for delivery by the appropriate authority.
- Undeliverable Items. To return:
 - IPA, ISAL, and CeP items refused by an addressee or that are undeliverable to the Mailer at no charge.
 - EMI items refused by an addressee or that are undeliverable to the Mailer via Express Mail at no charge.
 - PMI items refused by an addressee or that are undeliverable to the Mailer according to the provisions of IMM 771.
- 6. <u>Confidentiality</u>. To seek non-public treatment of information it determines to be eligible for protection from public disclosure under applicable law and practice when it files the Agreement with the Postal Regulatory Commission, or when it files information (including data) in connection with the Agreement in accordance with other regulatory requirements.

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ARTICLE 7. OBLIGATIONS OF THE MAILER

The Mailer hereby agrees:

- Tender Amount. To tender to the USPS mail intended for delivery outside the United States that generates at least:
 - in combined actual postage calculated after all discounts have been applied for IPA, ISAL, GD, GXG, EMI PMI, CeP, and IBRS Qualifying Mail during the term that begins on the Effective Date of this Agreement and ends on December 31, 2013, subject to the following:
 - Any postage paid to the USPS for Qualifying Mail during the term of the Global Plus 1 Service Agreement executed by on December 21, 2011, and executed by the USPS on December 22, 2011, and any postage paid to the USPS for Qualifying Mail during the term of the Global Plus 2 Service Agreement executed by on December 21, 2011, and executed by the USPS on December 22, 2011, that falls within the month of January, 2013, shall be applied to the commitment in Paragraph 1(a) of this Article, notwithstanding the actual Effective Date of this Agreement.
 - Any postage paid to the USPS for Qualifying Mail during the term of this Agreement that falls within the month of January, 2014, shall be applied to the commitment in any agreement(s) the Parties shall enter into with an Effective Date that falls within the month of January, 2014.
 - b. Of the commitment in Paragraph

 (a) above, must be in combined actual postage calculated after all discounts have been applied for EMI and PMI, during the term of this Agreement; or

Tender Not to:

- a. Tender or attempt to tender any item under this Agreement that is destined for any country included in Country Group E-1 under Supplement No. 1 to Title 15, Code of Federal Regulations, Part 740 available at: http://www/gpo.gov/fdsys/pkg/CFR-2012-title15-vol2/pdf/CFR-2012-title15-vol2-part740-appNo-pdf;
- Tender or attempt to tender any item addressed to persons or entities identified on OFAC's Specially Designated Nationals List, BIS's Denied Persons List, or BIS's Entities List;
- c. Tender or attempt to tender any item on behalf of third parties or entities identified on OFAC's Specially Designated Nationals List, BIS's Denied Persons List, or BIS's Entities List.

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3. Tender Locations. To tender:

- a. IPA Qualifying Mail including IPA M-bags in drop shipments to the appropriate locations specified in IMM 292.532. Mailings tendered at these locations are subject to Drop Ship prices.
- b. IPA Qualifying Mail including IPA M-bags at USPS Business Mail Entry Units (BMEUs) approved by the USPS to receive Qualifying Mail. Mailings tendered at these locations are subject to Full Service prices.
- c. ISAL Qualifying Mail including ISAL M-bags in drop shipments to the appropriate locations specified in IMM 293.532. Mailings tendered at these locations are subject to Drop Ship prices.
- d. ISAL Qualifying Mail including ISAL M-bags at USPS Business Mail Entry Units (BMEUs) approved by the USPS to receive Qualifying Mail. Mailings tendered at these locations are subject to Full Service prices.
- One hundred percent (100%) of GXG Qualifying Mail in drop shipments at any USPS International Service Center location.
- One hundred percent (100%) of EMI Qualifying Mail in drop shipments at any USPS International Service Center location.
- g. One hundred percent (100%) of PMI Qualifying Mail in drop shipments at any USPS International Service Center location.
- h. CeP Qualifying may be tendered in drop shipments at either:

JOHN F. KENNEDY AIRPORT MAIL CTR US POSTAL SERVICE JOHN F. KENNEDY INTERNATIONAL AIRPORT BLDG 250 JAMAICA, NY 11430-9998

or

JT WEEKER INTERNATIONAL SERVICE CENTER US POSTAL SERVICE 11600 W IRVING PARK RD CHICAGO IL 60666-9998

or

LOS ANGELES INTERNATIONAL SERVICE CENTER US POSTAL SERVICE 5800 W CENTURY BLVD LOS ANGELES CA 90009-9998

4. Advance Notification. To provide:

- a. The Manager, Customized Mail, via e-mail to <u>icmusps@usps.gov</u>, with notification of intent to drop ship mail at a specific location two weeks before the initial shipment to that location.
- b. The Manager, Customized Mail, via e-mail to <u>icmusps@usps.gov</u>, with notification of new permit numbers used for Qualifying Mail, one week in advance of using the new numbers. The message should include the

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- permit number, the city, state, and ZIP Code where the permit is held, and the name of the permit owner. The message should also include a requested effective date.
- c. The appropriate USPS acceptance sites with notification if the intended volume of mail to be presented varies more than twenty-five percent (25%) higher or lower than normal daily volumes. The Mailer shall make every effort to inform the appropriate USPS acceptance sites at least fortyeight (48) hours in advance of presenting the mail.
- d. The Manager, Customized Mail, USPS, via e-mail to <u>icmusps@usps.gov</u> with notification of the Mailer's intent to tender Qualifying Mail under this Agreement that requires a license from OFAC, BIS, or the U.S. Department of State not less than ten (10) days prior to tender of such items.
- Payment of Postage. To pay postage to the USPS, either directly or through a mailing agent:
 - For IPA ISAL, and CeP services by use of a USPS approved Alternate Mailing System (AMS) for total postage due subject to the conditions stated in DMM 705.4.
 - For GXG, EMI, and PMI Qualifying Mail by use of a permit imprint subject to the conditions stated in DMM 604.5, with the exception that DMM 604.5.1.1 shall not apply.
- Monthly Reporting. To provide the USPS with a report, at a frequency to be mutually determined, in a format to be specified by the USPS, stating, for IPA, ISAL, GXG, EMI, PMI, and CeP:
 - a. The total revenue, pieces, and weights for each product mailed in the preceding month separated by point of tender to the USPS, destination country, and country price group for each permit owned by the Mailer under this Agreement. The Mailer will undertake all reasonable efforts to provide the same information for each permit holder mailing under this Agreement;
 - This requirement shall include the final month of the Agreement.
- Receptacle Barcoding. To place on each receptacle containing IPA, ISAL, or CeP mailings, a barcode prepared in accordance with the specifications the USPS shall provide.
- 8. Information Link. To establish a secure data connection with the USPS in order to ensure that the USPS can receive the necessary information for Customs clearance as well as the data needed to monitor the proper prices and country destination of the Mailer's packages. The Mailer will be responsible for all aspects of service quality of the information link, interconnectivity, and interoperability of network services of such data connection, which shall be available under commercially reasonable standards but shall be capable of ensuring that the data for all Qualifying Mail under this Agreement are available to USPS.

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- 9. Address Labels and Customs Declarations. To create
 - Address labels for GXG, EMI, and PMI Qualifying Mail using USPSprovided Global Shipping Software (GSS);
 - b. Customs declarations:
 - For EMI, and PMI Qualifying Mail using USPS-provided Global Shipping Software (GSS);
 - For GXG Qualifying Mail using USPS-provided Global Shipping Software (GSS) and the procedures detailed in USPS Publication 141 Global Express Guaranteed Service Guide.
 - Address labels and Customs declarations for CeP Qualifying Mail according to the specifications provided in the CeP Preparation Requirements Document.
 - d. In lieu of USPS-provided Global Shipping Software (GSS), the Mailer may use USPS-approved functionally equivalent software or the intermediary of a USPS-approved PC Postage Provider that the USPS has authorized to offer services to contract rate customers for the purposes of creating address labels for GXG, EMI, and PMI and/or Customs declarations for EMI and PMI. For Customs declarations for GXG Qualifying Mail, the Mailer must follow the procedures detailed in USPS Publication 141 Global Express Guaranteed Service Guide.
 - The Mailer must provide the Manager, Customized Mail USPS, via e-mail to icmusps@usps.gov, with notification of the Mailer's intent to use the intermediary of a USPS-approved PC Postage Provider at least thirty (30) days in advance of the anticipated date of the first use of the PC Postage Provider.
 - The Mailer must submit any functionally equivalent software the Mailer intends to use to the USPS for approval. Such approval must be obtained before the Mailer may use any such software in connection with this Agreement.
 - The use of USPS-approved functionally equivalent software or the intermediary of a USPS-approved PC Postage Provider that the USPS has authorized to offer services to contract customers may require Modifications to this Agreement under the terms of Article 26.
- Confidentiality. To treat as confidential and not disclose to third parties, absent express written consent by the USPS, any information related to this Agreement that is treated as non-public by the Postal Regulatory Commission.
- 11. <u>Customs and Export Documentation</u>. To provide any necessary documentation, including data provided in electronic format, in connection with each mailing, in the form and at the time specified by the USPS, Customs & Border Protection, Transportation Security Administration, the U.S. Census Bureau, a destination country foreign government, or other authority. The Mailer further understands that the failure to provide any such required documentation may result in refusal

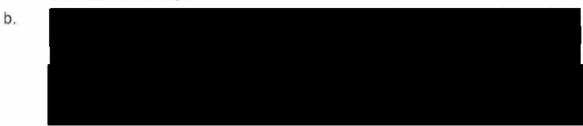
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- at acceptance, delay in processing, involuntary seizure by customs authorities, and/or return of mail to sender.
- 12. <u>Customs and Export Requirements</u>. To comply with any regulation or order promulgated by the USPS, OFAC, the U.S. Department of the Treasury, the U.S. Census Bureau, BIS, the U.S. Department of Commerce, the U.S. Department of State, the U.S. Customs & Border Protection, the U.S. Fish and Wildlife Service, the Transportation Security Administration, a destination country foreign government, or other government unit, according to any requirements specified by those authorities. See IMM 5 for additional information.
- 13. Responsibility. To ensure that all entities mailing under the aegis of this Agreement, having provided the USPS with a permit number and notification of intent to mail under the terms of Paragraph 4 above, follow the terms and conditions set forth in this Agreement as they pertain to the preparation and tender of mailings.
- 14. <u>CeP Labeling</u>. To create and place on each piece of CeP Qualifying Mail a unique label allowing for delivery confirmation when scanned in the receiving country in accordance with the specifications provided in the CeP Preparation Requirements Document.
- 15. Penalties To pay any fines or penalties as well as any other expenses, damages, and/or charges, including any applicable duties, taxes, and/or fees that result from an action of any other governmental entity that regulates exports and/or imports in relation to any item tendered under this agreement, or that results from the Mailer's failure to comply with applicable laws and regulations of the origin country, destination country, or any country through which a mailing tendered under this Agreement passes (including failure to provide necessary documentation and/or failure to obtain any required license or permit).

ARTICLE 8. POSTAGE PRICES

In consideration of Article 7 Paragraph 1, and in accordance with Article 9 but subject to Article 13:

- For IPA and ISAL,
 - The Mailer will receive a discount of discounted published prices for IPA and ISAL Qualifying Mail in effect on the date of mailing;



- For EMI and PMI, the Mailer will pay postage according to the price charts in Annex 1.
- 3. For GXG, the Mailer will pay postage according to the price charts in Annex 2.
- For CeP, the Mailer will pay postage according to the price charts in Annex 3.

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ARTICLE 9. APPROVAL OF PRICES

The discounts in Article 8 Paragraph 1 (a) and (b) for IPA and ISAL, the prices for EMI and PMI in Annex 1, the prices for GXG in Annex 2, and the prices for CeP in Annex 3 are contingent upon any and all necessary approvals for corresponding USPS prices by the USPS Governors, the USPS Board of Governors, and/or the United States Postal Regulatory Commission.

ARTICLE 10. SUSPENSIONS OF MAIL SERVICE

In the event that a suspension of mail service from the United States to a given country would prevent delivery of Qualifying Mail to addressees in that country, the Mailer shall not tender Qualifying Mail to the USPS until service is restored. The minimum commitment for Qualifying Mail as set forth in Article 7 of this Agreement shall be recalculated *pro rata* to reflect the reduction in available service time.

ARTICLE 11. GOVERNING LAW

This Agreement shall be governed by, construed, and enforced in accordance with United States federal law.

ARTICLE 12. TERM OF THE AGREEMENT

- The Effective Date of this Agreement shall be 12:01 a.m. on January 27, 2013. The Agreement will remain in effect until 11:59 p.m. on the day prior to the date of any change in the published rates that affect the Qualifying Mail in this Agreement that may fall within the month of January, 2014. Should the date of any change in the published prices that affects the Qualifying Mail in this Agreement not occur until sometime after January, 2014, this Agreement shall terminate at 11:59 p.m. on January 31, 2014. If the Agreement is terminated before the month of January, 2014, the tender amounts in Article 7 shall be prorated accordingly. Pursuant to Article 14, this Agreement may be terminated sooner than the dates provided for in this Article.
- The Mailer acknowledges that this Agreement is subject to regulatory oversight and such oversight might affect the Effective Date.
- The USPS will notify the Mailer of the status of the approval process or of potential fulfillment of the approval process, or when major steps in the process are completed. The USPS also will respond to Mailer inquiries concerning the status of the process.

ARTICLE 13. PENALTY AND REIMBURSEMENT

WILL	ICLE 13. PENALTI AND KENNDOKSENIENT
1.	In the event that the Mailer does not meet its minimum commitment as set forth
	in Article 7 Paragraph 1, the Mailer agrees to pay the USPS
	The actual amount to be
	determined by the USPS.
2.	The USPS will invoice the Mailer for the amount of these assessed penalties.

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 For purposes of calculating the payments detailed in this Article, postage paid for IPA, ISAL, GD, GXG, EMI, PMI, CeP, and IBRS shall be counted from January 1, 2013, and shall include December 31, 2013, as the final date inclusive date.

ARTICLE 14. TERMINATION OF THE AGREEMENT

Either Party to this Agreement, in its sole discretion, may terminate this Agreement for any reason, by giving the other Party a thirty (30) day written notification, unless a time frame longer than thirty (30) days that falls within the term of the Agreement is indicated by the terminating Party. In the event that this Agreement is terminated before the anticipated termination date in Article 12, the Mailer remains bound by the terms of Article 7 Paragraph 6 and Paragraph 15, and Article 13, except that the Mailer's obligation, if any, under Articles 7 and 13 shall be calculated on a *pro rata* basis to reflect the actual duration of the agreement.

ARTICLE 15. POSTAGE UPDATES

- In the event that the USPS incurs an increase in total costs
 associated with providing any one of the categories of Qualifying
 Mail, the USPS reserves the right to notify the Mailer and modify the prices for
 that service established under this Agreement.
- 2. The prices in Annex 1 are related to the non-discounted published postage for EMI and PMI. The prices in Annex 2 are related to the non-discounted published postage for GXG. In the event that the non-discounted published postage for GXG, EMI, and/or PMI should change during the term of this Agreement, the prices in Annex 1 and/or Annex 2 will also change. The discount applied to IPA and ISAL is related to the non-discounted published postage for these services. In the event that the non-discounted published postage for IPA and ISAL should change during the term of this Agreement, the discount applied to these services may also change. Such changes to the prices in Annex 1 and Annex 2 and the discount applied to IPA and ISAL shall be calculated using the same assumptions and constraints used to determine the prices in the existing Annex 1 and Annex 2 and the existing discount for IPA and ISAL.
- 3. The prices in Annex 3 for CeP are related to the non-discounted published postage for IPA. In the event that the non-discounted published postage for IPA should change during the term of this Agreement, the prices in Annex 3 for CeP will also change. Such changes to the prices in Annex 3 shall be calculated using the same assumptions and constraints used to determine the prices in the existing Annex 3.

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- The USPS will give the mailer thirty-five (35) days' notice of changes in the prices in Annex 1 and/or Annex 2, the discount applied to International Priority Airmail (IPA) or International Surface Air Lift (ISAL), or the prices in Annex 3 for CeP.
- Any revision to the prices in Annex 1, Annex 2, or Annex 3 or the discount applied to IPA or ISAL shall not be retroactive.
- No price shall increase beyond the non-discounted published prices for the affected service.
- All price changes under the provisions of this Article will be subject to review and oversight by the USPS Governors, the USPS Board of Governors, and/or the United States Postal Regulatory Commission.

ARTICLE 16. CUSTOMS DUTIES AND TAXES

Customs duties and taxes for packages mailed under this Agreement are the responsibility of the addressee.

ARTICLE 17. INDEMNITY

The Mailer shall indemnify and save harmless the USPS and its officers, directors, agents, and employees from any and all claims, losses, costs, damages, or expenses or liabilities, including but not limited to penalties, fines, liquidated damages, charges, taxes, fees, duties, or other money due ("Claims") growing out of or connected in any other way with the discharge by the Mailer or its agents(s) of any undertaking contained in this Agreement, including Claims that result from the noncompliance of the Mailer with the laws of the United States and other countries.

ARTICLE 18. LIMITATION OF LIABILITY

- The liability of the USPS under this Agreement shall be limited to the refund of postage for Qualifying Mail that is lost or destroyed in bulk after being tendered to the USPS and prior to being received by the delivery authority outside of the United States. The USPS shall not be liable for any actual or consequential damages suffered by the Mailer as a result of late delivery or non-delivery of any Qualifying Mail.
- IPA, ISAL, CeP, EMI, and PMI Qualifying Mail mailed under this Agreement are not guaranteed against delay in delivery. Neither indemnity payments nor postage refunds will be made in the event of delay.
- Global Express Guaranteed Qualifying Mail mailed under this Agreement is insured against delay in delivery in accordance with USPS Publication 141 Global Express Guaranteed Service Guide.
- The USPS bears no responsibility for the refund of postage for Qualifying Mail in connection with actions taken by Customs authorities.
- The USPS shall not be liable for any loss or expense, including but not limited to fines and penalties, for the Mailer's or any other person's failure to comply with any export laws, rules, or regulations.

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6. The USPS shall not be liable for any act or omission by any person not employed or contracted by the USPS, including any act or omission of the Mailer, the Mailer's customer, or the recipient of an item tendered under this Agreement.

ARTICLE 19. FORCE MAJEURE

Neither Party shall be liable for its failure to perform under the terms of this Agreement due to any contingency beyond its reasonable control, including acts of God, fires, floods, wars, sabotage, accidents, and labor disputes or shortages; governmental laws, ordinances, rules and regulations, whether valid or invalid; court orders, whether valid or invalid; inability to obtain material, equipment, or transportation; and any other similar or different contingency.

ARTICLE 20. NO WAIVER

The failure of either Party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but these shall continue and remain in full force and effect as if such forbearance or waiver had not occurred.

ARTICLE 21. NUMBER AND GENDER

The use of any particular gender, or the plural or singular, in this Agreement is intended to include the other gender, or the plural or singular, as the text may require.

ARTICLE 22. EFFECT OF PARTIAL INVALIDITY

The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect.

ARTICLE 23. ASSIGNMENT

The rights of each Party under this Agreement are personal to that Party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other Party. Granting such consent shall not be unreasonably withheld and shall be allowed for assignment to a subsidiary or affiliate of the Mailer.

ARTICLE 24. PARAGRAPH HEADINGS AND REFERENCE CITATIONS

The titles to the paragraphs of this Agreement are solely for the convenience of the Parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement. All citations to provisions in the DMM and IMM within this Agreement are intended to refer to the substantive information found within the cited sections(s) at the time this Agreement was drafted. Subsequent changes to the citations or the relevant substantive information due to published revisions of the DMM or IMM shall be applicable to this Agreement upon the effective date of such revisions.

ARTICLE 25. ENTIRE AGREEMENT AND SURVIVAL

This Agreement, Global Plus 1 Service Agreement, including all Annexes thereto for Qualifying International Priority Airmail service (IPA), International Surface Air

USPS / GP1; 12/2012 Lift service (ISAL), Global Express Guaranteed (GXG), Express Mail International service (EMI), Priority Mail International service (PMI), and Commercial ePacket (CeP) along with the companion Global Plus 2 Service Agreement, including all Annexes thereto for Qualifying Global Direct — Canada Lettermail, Global Direct — Canada Incentive Lettermail, Global Direct — Canada Admail, Global Direct — Canada Publications Mail; and International Business Reply Service (IBRS) shall constitute the entire agreement between the Parties as it pertains to Qualifying International Priority Airmail service (IPA), International Surface Air Lift service (ISAL), Global Express Guaranteed (GXG), Express Mail International service (EMI), Priority Mail International service (PMI), Commercial ePacket (CeP), Global Direct — Canada Lettermail, Global Direct — Canada Incentive Lettermail, Global Direct — Canada Admail, and Global Direct — Canada Publications Mail, intended for delivery outside the United States and for International Business Reply Service (IBRS) intended for receipt within the United States.

- 2. Neither the Mailer nor the USPS is released from any obligations arising under the Global Plus 1 Service Agreement between executed by on December 21, 2011, and by the USPS on December 22, 2011.
- Neither the Mailer not the USPS is released from any obligations arising under the Global Plus 2 Service Agreement between executed by on December 21, 2011, and by the USPS on December 22, 2011.
- With the exception of the Agreements mentioned in Article 25, Paragraphs 2 and 3, any prior understanding or representation of any kind regarding the use of said Qualifying Mail originating in the United States and intended for delivery outside the United States and any prior understanding or representation of any kind regarding the use of IBRS Qualifying Mail which precedes the date of this Global Plus 1 Agreement and the companion Global Plus 2 Agreement, shall not be binding upon either Party except to the extent incorporated in this Agreement.
- The provisions of Article 6, Paragraph 6; Article 7, Paragraph 10; and Article 31 shall expire ten (10) years from the date of termination or expiration of this Agreement.

ARTICLE 26. MODIFICATION

- Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement, with the exception of changes to prices under the terms of Article 15, shall be binding only if placed in writing and signed by each Party.
- Modifications may be contingent upon any and all necessary approvals by USPS
 management's Executive Committee, the Board of Governors of the USPS, the
 Governors of the USPS, the Postal Regulatory Commission, and/or any other
 governmental body with oversight responsibility for the USPS.
- If such approvals are required, the modifications will not become effective until such time as all necessary approvals are obtained.

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- The USPS will notify the Mailer of the date the modification becomes effective within thirty (30) days after receiving the approval of the entities that have oversight responsibility for the USPS.
- The USPS will notify the Mailer of the status of the approval process or of potential fulfillment of the approval process, when major steps in the process are completed. The USPS also will respond to Mailer inquiries concerning the status of the process.

ARTICLE 27. MAILABILITY, EXPORTABILITY, AND IMPORTABILITY

All items mailed under this Agreement must conform to the mailability requirements of the USPS as detailed in IMM 130; all applicable United States laws and regulations, including export control and customs laws and regulations; and all applicable importation restrictions of the destination countries. For each item mailed under this Agreement, the Mailer is responsible for determining export and import requirements, obtaining any required licenses and permits, and ensuring that the recipient of the item is authorized by the laws of the United States and destination countries to receive the item. The Mailer is solely responsible for the exportation and importation status of the products mailed under this Agreement as detailed in IMM 112.

ARTICLE 28. PRESERVATION AFTER TERMINATION

Termination of this Agreement shall be without prejudice to any rights, obligations, and liabilities of the Mailer accrued up to and including the effective date of such termination. In the event of termination of the Agreement, the Mailer shall be liable to make final settlement of all amounts owing as of the effective date of termination within three (3) months of written notice by the USPS of any deficiency or liability under this Agreement.

ARTICLE 29. NOTICES

All notices or demands required by this Agreement shall be sufficient if delivered personally or mailed via Express Mail to the following individuals:

To the United States Postal Service:

Managing Director, Global Business and Vice President United States Postal Service 475 L'Enfant Plaza, SW Room 1P830 Washington, DC 20260-0830



or via e-mail:

To the United States Postal Service at: icmusps@usps.gov

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To the Mailer at:

ARTICLE 30. CONDITIONS PRECEDENT

- The Parties acknowledge and understand that all obligations of the USPS under this Agreement, including the discounts in Article 8 Paragraph 1 (a) and (b) for IPA and ISAL, the prices for EMI and PMI in Annex 1, the prices for GXG in Annex 2, and the prices for CeP in Annex 3, shall be contingent on the USPS receiving approvals (hereinafter "Conditions Precedent") from one or more internal and external bodies that have oversight responsibilities. Conditions Precedent may include, but are not limited to: approvals or, if applicable, non-objection, from responsible USPS management officials, the USPS Board of Governors, the USPS Governors, the Postal Regulatory Commission, and/or any other governmental body with oversight responsibility for the USPS. The Parties acknowledge that the Agreement may not be approved by such individuals or bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to allow the Postal Service to provide the products or services contemplated under the Agreement, no obligation shall exist for the USPS and no benefit shall inure to either Party.
- In the event that the Conditions Precedent are not fulfilled, the USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by the Mailer prior to the Effective Date of the Agreement. Further, in the event of termination of the Agreement or the failure of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, actual; special; indirect; incidental; punitive; consequential; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or for costs incurred by either Party attributable to such non-approval such as attorney's fees.

ARTICLE 31. CONFIDENTIALITY

The Mailer acknowledges that as part of securing approval of this Agreement, and in other subsequent regulatory filings, the Agreement and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in a docketed proceeding. The Mailer authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding. The Mailer further understands that any unredacted portion of the Agreement or supporting information will be available on the Commission's public website, www.prc.gov. In addition, the USPS may be required to file information in connection with this instrument (including revenue, cost, or volume data) in other Commission dockets including ACR2013, ACR2014, and ACR 2015. The Mailer has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the PRC for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22 found on the Commission's website www.prc.gov/Docs/63/63467/Order225.pdf. At the request of the Mailer, the USPS will notify the Mailer of the docket number of the Commission proceeding to establish the prices in this instrument once assigned.

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ARTICLE 32. COUNTERPARTS

The Parties may execute this Agreement in one or more counterparts (including by facsimile or by electronic means such as .pdf format), not all Parties need be signatories to the same documents, and all counterpart-signed documents shall be deemed an original and one instrument.

ARTICLE 33: INTELLECTUAL PROPERTY, CO-BRANDING AND LICENSING

The Mailer is allowed the use of the following trademarks: Global Express Guaranteed®, Express Mail International®, Priority Mail International®, International Priority Airmail™, International Surface Air Lift®, Commercial ePacket™, Global Direct®, M-Bags™, International Business Reply Service™, and the acronyms GXG®, EMI™, PMI™, IPA®, ISAL®, CeP™, GD™ and IBRS™ to indicate the USPS service offered. The Parties acknowledge that in the service of marketing the products under this Agreement that such product marketing may be enhanced through the use of cobranding or the use of each Party's trademarks, logos or intellectual property. In such instances, the Parties acknowledge and agree that any use shall be subject to separate written agreements. The Parties acknowledge and agree that neither Party shall use the other Party's trademarks, logos or intellectual property other than to refer to the trademark owner or the trademark owner's services until such time that a license for such use has been executed by the Parties and all laws and regulations required for such license's effectiveness have been perfected, which shall include but not be limited to any recordation requirements.

ARTICLE 34 WARRANTIES AND REPRESENTATIONS

The Mailer warrants and represents that the Mailer is not subject to, and is not related to, an entity that is subject to a temporary or other denial of export privileges by BIS, that the Mailer is not listed on BIS's Entity List or OFAC's Specially Designated Nationals List, and that the Mailer is not in arrears for any amount due to the USPS.

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In witness whereof, this Agreement is deemed executed on the latter of the two dates accompanying the Parties' signatures.

ON BEHALF OF THE UNITED STATES POSTAL SERVICE:

	Signature:	July A. Cebello
	Name:	Frank A. Cebello
	Title:	Executive Director, Global Business Management
	Date:	1/4/13
ON BEHALF	OF	
	Signature:	
	Name:	
	warne.	
	Title:	
	Date:	January 2, 2013
ANNEX 1		R MAIL INTERNATIONAL
	AND PRIORITY N	MAIL INTERNATIONAL
ANNEX 2	PRICES FO	R GLOBAL EXPRESS GUARANTEED
ANNEX 3	PRICES FO	R COMMERCIAL EPACKET SERVICE

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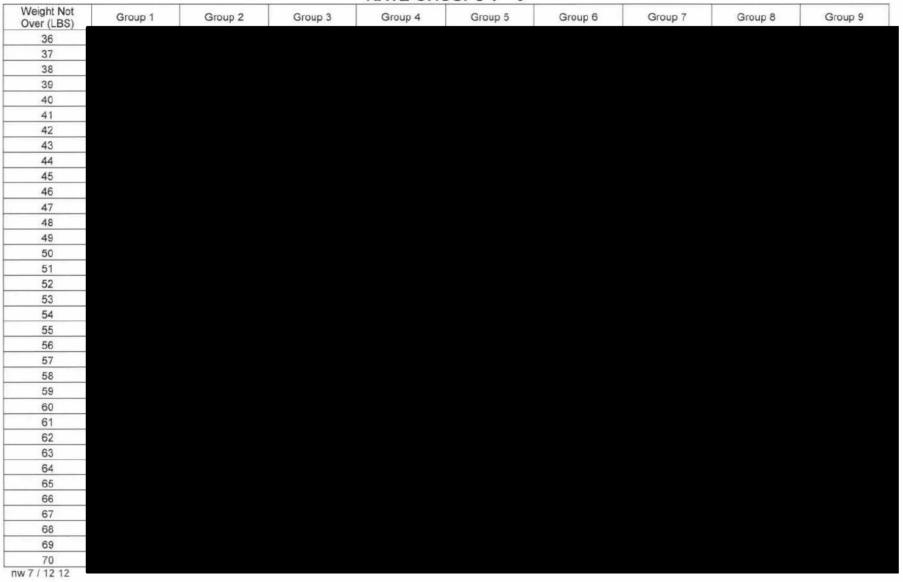
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RATE GROUPS 1 - 9

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RATE GROUPS 1 - 9



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RATE GROUPS 10 - 17

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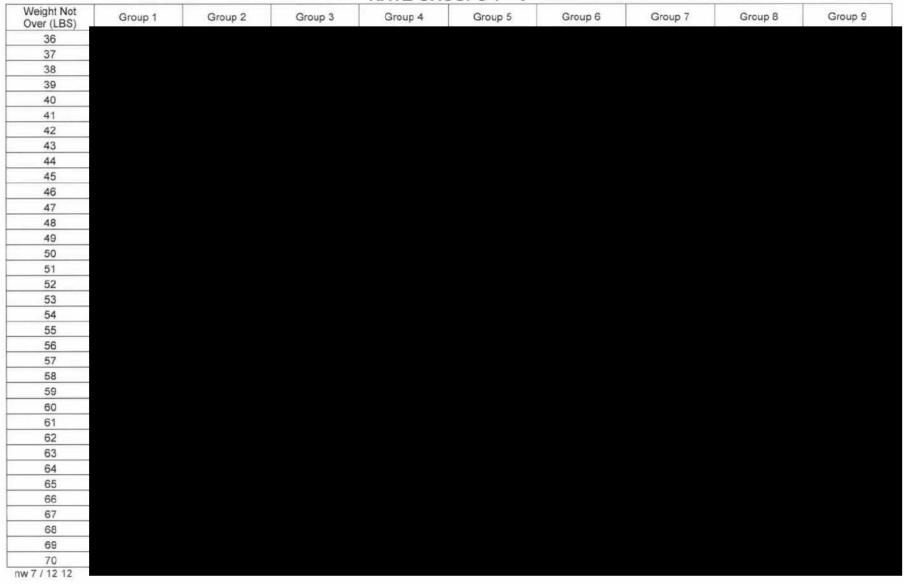
RATE GROUPS 10 - 17

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RATE GROUPS 1 - 9



RATE GROUPS 1 - 9



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RATE GROUPS 10 - 17

Weight Not Over (LBS)	Group 10	Group 11	Group 12	Group 13	Group 14	Group 15	Group 16	Group 17
(LBS)	Group 10	Group 11	Group 12	Gloup 13	Gloup 14	Group 15	Group to	Group 17
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RATE GROUPS 10 - 17



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USPS / GP1; 12/2012

ANNEX 2 PRICES FOR GLOBAL EXPRESS GUARANTEED

RATE GROUPS 1 - 8

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gxg X / 12 12

Note: For items not in USPS-supplied GXG envelopes, the chargeable weight is determined by comparing the dimensional weight (Length x Width x Height)/166 versus the actual weight. Whichever cost is greater of the two is the one that will be charged for a Global Express Guaranteed shipment.



ANNEX 2 PRICES FOR GLOBAL EXPRESS GUARANTEED

RATE GROUPS 1 - 8

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Weight Not Over (LBS)	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	Group 7	Group 8
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Note: For items not in USPS-supplied GXG envelopes, the chargeable weight is determined by comparing the dimensional weight (Length x Width x Height)/166 versus the actual weight. Whichever cost is greater of the two is the one that will be charged for a Global Express Guaranteed shipment.

ANNEX 3
PRICES FOR COMMERCIAL EPACKET SERVICE



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APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. § 3007.21 and Order No. 225,¹ the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Commission in this docket and the accompanying Global Plus contract docket.² The materials pertain to two Global Plus contracts – a Global Plus 1C contract that the Postal Service believes is functionally equivalent to previously filed Global Plus 1C contracts,³ and a Global Plus 2C contract that the Postal Service believes is functionally equivalent to previously filed Global Plus 2C contracts.⁴ The contract that is the subject of this docket and supporting documents establishing compliance with 39 U.S.C. § 3633 and 39 C.F.R. § 3015.5 are being filed separately in this docket under seal with the Commission. A redacted copy of the contract, a redacted version of the certified statement required by 39 C.F.R. § 3015.5(c)(2) for the contract, and a redacted version of Governors' Decision No. 11-6 are filed as Attachments 1, 2, and 3, respectively. Redacted versions of other financial documentation are filed publicly in separate Microsoft Excel documents.

¹ PRC Order No. 225, Final Rules Establishing Appropriate Confidentiality Procedures, Docket No. RM2008-1, June 19, 2009.

² A similar Application for Non-Public Treatment was filed with the accompanying Global Plus 2C contract that the Postal Service filed in Notice of the United States Postal Service of Filing a Functionally Equivalent Global Plus 2C Contract Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, Docket No. CP2013-38, January 10, 2013, Attachment 4. The financial documents included in this filing concern not only the Global Plus 1C contract that is the subject of this docket, but also the Global Plus 2C contract that the Postal Service filed in Docket No. CP2013-38.

³ See PRC Order No. 1151, Order Adding Global Plus 1C to the Competitive Product List and Approving Related Global Plus 1C Agreements, PRC Docket Nos. MC2012-6, CP2012-12, and CP2012-13, January 19, 2012, at 8.

⁴ See PRC Order No. 1135, Order Adding Global Plus 2C to the Competitive Product List and Approving Functionally Equivalent Global Plus 2C Agreements, Docket Nos. MC2012-5, CP2012-10, and CP2012-11, January 13, 2012, at 7.